

Wayne County IDA
Minutes – May 24, 2011
Regular Board Meeting

The regular board meeting of the Wayne County IDA was called to order at 9:36 a.m. on May 24th, 2011, by Chairman David Spickerman. The meeting was held at 16 William Street, Lyons. Members present: David Spickerman, James Hoffman and Marvin Decker. Also present: Tom Kelley, CFO, Optimax; John Morell, Esq., and P. Churchill and M. Leisenring.

On motion of Mr. Decker, seconded by Mr. Hoffman and carried the minutes of 5/13/2011 were approved.

Tom Kelley was present to answer any questions concerning the Maxpro, LLC/Optimax project.

Maxpro, LLC – Amend Commitment

Whereas, Maxpro, LLC was approved for a \$300,000 Revolving Loan on May 13, 2011 with a loan rate of the Prime Rate adjusted quarterly; and

Whereas, discussions with the company included the choice of the quarterly adjustable or five year adjustable pricing; and

Whereas, the company now desires the five year adjustable rate option in order that both the WCIDA loan and M & T Bank loan both re-price at five year intervals; be it therefore

Resolved, that WCIDA amend the original approval to provide for a rate of interest of the Prime Rate, fixed at the time of closing, adjusted at the fifth anniversary of the loan to the then existing Prime Rate fixed for the second five years.

Moved: Mr. Decker Seconded: Mr. Hoffman
Ayes: Messrs. Decker, Hoffman, Spickerman
Nays: None

On motion of Mr. Decker, seconded by Mr. Hoffman and carried the attached authorizing resolution regarding the MaxPro, LLC/Optimax Systems, Inc. project was approved. Mr. Kelley thanked the board and left the meeting.

Regarding the K.M. Davies Co. Inc. project, staff and attorneys are reviewing the application received. The application from Refractron Corp. has not yet been received.

Contract for Accounting Services - Whereas, WCIDA, WISDC and WEDC have used a CPA quarterly to assist in coordination and review of accounts, and that individual's firm has merged with EFP; be it hereby

Resolved that the office manager and book keeper, along with the chief finance officer, are authorized to interview candidates and select a new CPA to assist with adjustments, setting up new accounts in QuickBooks, etc. for a cost that is in keeping with the annual agreement made in the past.

Moved: Mr. Decker Second: Mr. Hoffman
Ayes: Messrs. Decker, Hoffman and Spickerman
Nays: None

Consultant to Review Funds & Sub-recipient Agreements - Whereas, the WCIDA has operated a loan fund through the use of sub-recipient agreements with Wayne County; and under current best practices, statute and comptroller opinion it is necessary to review and delineate which funds are eligible for "de-federalization"; and

Whereas, the CFO and CEO have done initial investigation and review, with the help of attorneys, and a basis of information has been set; be it hereby

Resolved, that the CEO is authorized to contact and review with a specialist in the area and contract with the specialist for professional services to undertake the delineation of the funds and assist in developing an appropriate plan for management of the funds going forward.

Moved: Mr. Hoffman Second: Mr. Decker
Ayes: Messrs. Hoffman, Decker and Spickerman
Nays: None

Contract for Updated Appraisals - Whereas, PAAA (Public Authorities Accountability Act) requires authorities to list and value all properties they own annually; and, for purposes of collateral, values should be kept current; be it hereby

Resolved, that the Executive Director is hereby authorized to seek quotes on updating appraisals for properties owned by the IDA, WISDC and WEDC, taking into consideration that to use a property for collateral for the line of credit, the bank will likely require their own appraiser.

Moved: Mr. Decker Second: Mr. Hoffman
Ayes: Messrs. Decker, Hoffman, and Spickerman
Nays: None

A discussion on professional office space ensued. It was the consensus of the Board that Ms. Churchill arrange for the board to tour available office space under consideration.

Loan Policy – Amend Maximum Loan Amounts

Whereas, the WCIDA approved its Loan Policy on May 23, 2008 with the maximum loan amounts for Microenterprise Loans of \$25,000 and Ag-Microenterprise Loans of \$60,000 and

Whereas, the limits for Microenterprise Loans as set by the U.S. Small Business Administration has been increased to \$50,000; and

Whereas, the WCIDA, as sub-recipient of CDBG grants that have funded these activities, can adjust loan limits as long as the revisions are consistent with the original intention of the grants and meet all federal guidelines; and

Whereas, the proposed changes in maximum loan amounts are consistent with the original intent of the grants and meet the required guidelines; be it therefore

Resolved, that WCIDA amend the Loan Policy to add that in addition to the limit of \$25,000, the maximum loan amount for Microenterprise Loans can be increased to \$50,000 on an exception basis; and in addition to the \$60,000 limit, the maximum amount for Ag-Microenterprise Loans can be increased to \$85,000 on an exception basis.

Moved: Mr. Decker Second: Mr. Hoffman
Ayes: Messrs. Decker, Hoffman, Spickerman Nays: None

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A special WCIDA board meeting will be needed on June 3, 2011, after the public hearing for Lyons Logistics.

There being no further business, the meeting adjourned at 10:15 a.m.

Respectfully submitted,

Marvin Decker
Secretary